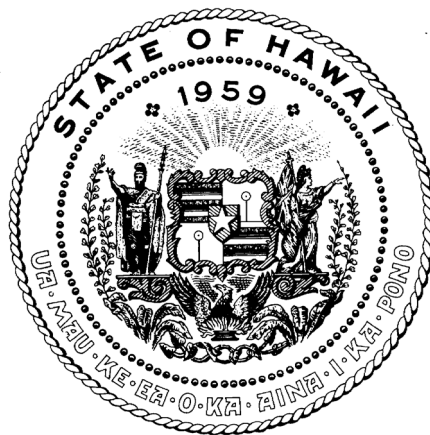


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2006 Legislative Highlights

**2006 Regular Session
Senate Majority Office**

2006 LEGISLATIVE HIGHLIGHTS

The 2006 Legislative Highlights is a capsule summary of significant bills passed by each Standing Committee of the Hawai'i State Senate during the 2006 Regular Session. The bills themselves should be consulted for further information and analysis. These Legislative Highlights, together with the 2006 Legislative Accomplishments and Action Briefs, can be found on the Senate Majority Caucus Website at <http://www.capitol.hawaii.gov/senmaj/> - click on "Legislative Accomplishments" at the top of the page and scroll down to the Highlights. This summary, which was prepared by the Senate Majority Office, is for informational purposes only and is not an official record of action taken by the Hawai'i State Senate. Where applicable, Act numbers as of May 17, 2006, have been inserted.

COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

Hawai'i Ingenuity Corporation

HB3261, HD1, SD2, CD1 establishes the Hawai'i Ingenuity Corporation charter, which will be a private, for profit, nonstock, membership corporation created by the State. The Corporation will enable inventors, labor unions, the American Ingenuity Alliance, and public educators to create a business entity that will own and license intellectual and other property. The Corporation will be responsible for creating and maintaining businesses, negotiating with other corporations on behalf of constituency groups on issues of licensing intellectual property, labor, and environmental standards, selling, leasing, or licensing goods and services to other business entities, and engaging in collective bargaining on behalf of inventors and labor organizations. The Corporation will also create benefits for inventors, labor unions, and public educators, attract inventors to Hawai'i, and build Hawai'i's role as an inventor-friendly State. The membership of the Corporation will consist of five classes of members: educators, inventors, labor unions, investors, and a managing member who will each have respective duties and obligations and have the rights and privileges to meet and sue the board of directors. The Corporation charter also establishes a board of directors that will have the rights and duties to carry out the purposes of the Corporation. The provisions of the Corporation charter provide a role for the Legislature, providing that any charter amendments can only be made by an Act of the Legislature and allowing the Legislature to rescind the charter by a two-thirds vote. Furthermore, the Legislature is required to select the managing member of the Corporation, and the memberships of the Corporation shall only expire by action of the Legislature. Last, the new chapter provides that in the event of a conflict between the Corporation charter and the Hawai'i Business Corporation Act, the Corporation charter will prevail.

COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HOUSING

Gas Cap

HB3115, HD2, SD2, CD1; Act 78 (Gas Cap) indefinitely suspends the maximum wholesale gasoline price limit but gives the governor the authority to reinstate it for thirty-day periods upon the governor's publication of a statewide notice that the reinstatement would be beneficial to the economic well-being, health, and safety of the people of the State. If the governor does not reinstate the maximum wholesale gasoline price within 180 days of 9/1/06, the governor must submit a report to the legislature before the next regular session, explaining: (1) why the governor did not believe reinstatement would be beneficial to the economic well-being, health, and safety of the people of the State, and (2) the administration's efforts during the year to reduce the price of gasoline, increase competition in the gasoline wholesale market, and otherwise improve the gasoline market.

For monitoring purposes, the bill also adjusts the price formula by: (1) adding the weekly average of the Singapore spot daily price to the baseline price determination; (2) deleting the location adjustment factor; (3) reducing the marketing margin factor; and (4) providing for zone price adjustments and allocations, to create a fair price indicator and to increase savings to consumers. The bill gives the governor the discretion to raise the reinstated maximum price in a zone above the formula price if necessary to prevent financial hardship on any affected distributor who does not operate a refinery within the State.

The measure also increases public oversight of the petroleum industry by establishing the petroleum industry monitoring, analysis, and reporting program administered by the public utilities commission and prohibits unfair trade practices by the petroleum industry.

Affordable Housing

In 2005, the Legislature approved an omnibus measure, Act 196, to address the issue of the affordable housing shortage in Hawai'i. The principal housing measures of the 2006 Session respond to these provisions. **SB2958, SD2, HD1, CD1** requires dilapidated public housing units to be decommissioned for ownership and management by a private entity, and encourages development of self-help ownership housing on certain small state parcels. The bill requires rather than allows the Hawai'i Public Housing Administration to decommission a low-income public housing project. The bill also authorizes the Hawai'i Housing Finance and Development Administration to lease parcels it deems suitable for affordable housing at \$1 per year for up to 50 years to organizations or community trusts for self-help development in ownership housing units, and requires the Department of Land and Natural Resources to initiate the transfer of lands identified as suitable for affordable housing to the Administration.

Affordable Housing - County Flexibility

SB3000, SD2, HD1, CD1 provides the counties with flexibility to approve affordable housing projects by waiving requirements for certain infrastructure; requires reviewing agencies to give affordable housing

projects priority processing; and improves and further streamlines the fast-track permitting process. The bill authorizes the counties to provide flexibility in public facility requirements for low-income rental housing projects. It further provides that any agency that reviews and comments upon an application for a business or development-related permit, license, or approval for an affordable housing project shall respond within 45 days of receipt of the application, or the application shall be deemed acceptable to the reviewing agency. The bill also allows "fast-tracked" affordable housing projects to be approved with modifications instead of just approved or disapproved.

Affordable Housing - Funding

HB2176, HD2, SD2, CD1; Act 100 requires the Hawai'i Public Housing Administration to actively partner with the counties to identify locations for temporary emergency shelters for homeless individuals and families, and appropriates \$3,200,000 therefor. The bill further appropriates \$10,000,000 to repair and modernize public buildings for transitional and emergency shelters; \$5,000,000 to renovate homeless shelters and transitional housing; \$9,100,000 for the development and construction of emergency, transitional, and low-income housing; \$700,000 for zero-interest loans to build self-help ownership homes; and \$1,065,000 for affordable and mixed-use housing development and homebuyer services. The bill also makes grants-in-aid of \$2,632,000 to various organizations to provide homeless services and low-income housing programs and services. Public assistance recipients will be allowed to receive and use rent supplement payments for public housing, and 50 percent of conveyance tax revenues will be allocated to the rental housing trust fund until 6/30/07. Finally, the bill appropriates \$1,500,000 for land acquisition of the Kulana Nani property from Kamehameha Schools.

Money Transmitters

SB2143, SD2, HD1, CD1 creates a new licensure system to regulate the money transmitter industry in Hawai'i. Once licensed, among the primary obligations of a money transmitter are to maintain certain records to be made available for inspection by the Commission and to file written reports with the Commissioner for events that impact its activity in the State. These events include, in part, filing of bankruptcy or reorganization by the money transmitter, felony indictments or convictions of the transmitter or any of its key officers or directors, and any reports as required by federal and state law related to money laundering. Money transmitters are required to comply with this bill by 7/1/07, but may comply sooner. If a money transmitter makes a completed application on or before 7/1/07, the transmitter is presumptively in compliance with the new licensure system.

Direct shipment of wine to residents

HB1968, HD1, SD1, CD1 establishes a new direct wine shipper permit process to allow wineries to ship wine to Hawai'i residents. This process allows a permit holder to sell and annually ship to any person, 21 years or older, no more than six 9-liter cases of wine for personal use only. This process requires permit holders to label containers, report the total amount of wine shipped to persons during a calendar year, pay all

applicable general excise and gallonage taxes, and be subject to audit by the appropriate liquor commission. As a safeguard, this bill also requires the carrier of a shipment to obtain the signature of a person 21 years or older before delivering the shipment. County liquor commissions are empowered to adopt rules to implement the permit process, with the issuance of permits to begin no later than 1/1/07.

COMMITTEE ON EDUCATION AND MILITARY AFFAIRS

Fix Hawai'i's Schools Act - Funding for School Repair and Maintenance

SB2956, SD2, HD2, CD1, commonly referred to as the Fix Hawai'i's Schools Act, was designed to provide a major influx of funding for the Department of Education (DOE) to address a continuing backlog of public school repair and maintenance projects. The condition of Hawai'i schools increasingly depends on the availability of funds and effective management of facility needs. This measure is aimed at ensuring that school facilities are maintained in conditions that are safe and conducive to learning, and appropriates to the DOE a total of \$235,000,000 through general funds and general obligation bonds toward achieving this goal.

Early Learning Educational Task Force

SB3101, SD2, HD2, CD1 continues the work of the Temporary Early Learning Task Force created in 2005 by establishing a two-year Early Learning Educational Task Force to last until 7/1/08. In recent years, significant milestones have been reached in the promotion of early childhood development and school readiness through public and private efforts. This measure builds upon the existing framework and services available for early childhood learning, which form a foundation for further development and integration into a system that shall dynamically serve all of Hawai'i's young children and their families. This new task force is charged with developing a five-year plan for a coherent, comprehensive, and sustainable early learning system to ensure a continuum of early learning opportunities for infants and children up to age five. This measure appropriates \$1.5 million for task force operations, an educational specialist to focus on early childhood education, professional development, classroom resources; to expand the Department of Education's Families for R.E.A.L. parent-child educational program, and to increase participation in the Early Head Start and Head Start Programs.

Increased Teacher Training and Support

SB3195, SD2, HD2, CD1 appropriates \$150,000 for the Department of Education (DOE) to address the teacher shortage in Hawai'i with increased teacher training and support. This measure is intended to ensure that public schools receive the funds they need to provide quality education to Hawai'i's students. Research indicates that teacher quality is one of the most influential factors in student achievement, and that standards-based reform has a greater chance of success when teacher quality is addressed simultaneously. The DOE diligently recruits highly qualified teachers from within the State of Hawai'i and the continental United States. As more and more teachers of the "baby-boom" generation retire in Hawai'i and across the nation,

however, the task of recruiting highly qualified teachers becomes more challenging each year. Despite concerted efforts, Hawai'i continues to have a critical shortage of trained teachers within the public school system. In the face of this challenge, the DOE must receive appropriate funding to maintain its policy of robust teacher training and support.

Support for Standards-Based Educational Curriculum

SB3059, SD2, HD1, CD1 appropriates \$2,008,000 for school complexes to develop and implement a standards-based curriculum, purchase assessment tools, develop rigorous classroom-based performance assessment, purchase software, and have contract staff to generate the required reports. Research shows that among the key practices most commonly cited for the success of low-income and minority high school students in college are access to a rigorous academic common core curriculum, and alignment of that curriculum within the kindergarten through twelfth grade system. This measure provides for teacher professional development and standards-based assessment tools to monitor student progress on at least a quarterly basis throughout the school year. The measure also requires, when a standards-based curriculum is being developed, that it be an aligned K-12 standards-based curriculum in the four core content areas of language arts, math, science, and social studies, and provides for software program implementation to help align school course material with Hawai'i content and performance and federal educational standards.

Construction Academy Program

SB2980, SD2, HD1, CD1 codifies the Construction Academy program within the University of Hawai'i (UH) community college system, and mandates that the Office of the Vice President for Community Colleges prepare annual reports to the legislature on program status. \$5,402,182 was appropriated to the program through the State Budget. The State of Hawai'i is currently experiencing an estimated \$10,000,000,000 boom in new construction that has created a critical shortage of qualified workers in the trades. Over the next several years, projections indicate that Hawai'i will need between ten thousand and twenty-six thousand more construction workers to meet industry demand. In response to this need, the Construction Academy was developed to cultivate interest in the construction industry and to build a foundation of skills that prepares high school students for more in-depth post-secondary training in a specific trade. The program allows high school students to take classes in various construction trades and earn credit towards an associate degree at an affiliated community college. At present, the UH apprenticeship programs train approximately three thousand apprentices each semester.

COMMITTEE ON ENERGY, ENVIRONMENT, AND INTERNATIONAL AFFAIRS

In 2006, the Legislature approved two omnibus measures, comprised of a comprehensive set of proposals, to assist the State in achieving

**Renewable Energy
Technology
- Tax Credits,
Alternate Fuels**

energy self-sufficiency.

SB2957, SD2, HD2, CD1 contains provisions pertaining to renewable energy technology. The measure repeals the renewable energy technology income tax credits' 2008 sunset date and increases the credit for certain solar-thermal, wind-powered, and photovoltaic energy systems to make it more affordable to install these systems in residential and commercial properties. It also establishes the Solar Water Heating Pay As You Save pilot project (Project). The Project will provide a financing mechanism to defer the up-front expense of residential solar hot water heater systems by allowing a residential electric utility customer to pay for the cost of a system over time on the customer's electricity bill.

The measure encourages the use of alternate fuels. It requires governmental bodies to give preference to bids for biofuel, or blends of biofuel and petroleum fuel, when awarding procurement contracts for the purchase of diesel fuel or boiler fuel. It also expresses support for achieving a statewide alternate fuels standard.

On the island of Hawai'i, more electricity is produced from renewable resources than can be used. The excess renewable energy resources can be used to produce hydrogen. The hydrogen could then be used statewide as the clean fuel of choice for power generation and transportation fuels. The measure establishes a Hawai'i Renewable Hydrogen Program (Program) to manage the State's transition to a renewable hydrogen economy. An appropriation is made to a newly created Hydrogen Investment Capital Special Fund to support private sector and federal projects for research, development, testing, and implementation of the Program.

There is an appropriation for the Department of Agriculture to assist members of the agricultural community to develop energy projects. Another appropriation is made for a statewide multi-fuel biofuels production assessment of potential feedstocks and technologies, of the economics of the various renewable fuels pathways, and of the potential for ethanol, biodiesel, and renewable hydrogen production to contribute to Hawai'i's energy needs. Funds are also appropriated for the Hawai'i Natural Energy Institute to hire a hydrogen system program manager.

**Energy Self-
Sufficiency**

HB2175, HD2, SD2, CD1; (Act 96) contains provisions pertaining to energy efficiency. In order to achieve energy self-sufficiency, the State must integrate new and evolving technologies into its practices. In recognition of this, the measure establishes energy-efficiency and environmental standards for state facilities, motor vehicles, and transportation fuels. It also requires the Energy Resources Coordinator, with assistance from the Public-Private Advisory Committee, to evaluate the State's progress in incorporating energy efficiency and conservation measures, and to recommend how and when to conduct periodic energy audits.

The measure promotes state use of energy-savings contracts and accelerates the time by which energy-efficient vehicles must be phased into the state motor vehicle fleets. Counties are required to establish a procedure for priority processing of construction project permit applications that incorporate energy and environmental design building standards. There are appropriations for the Department of Education (DOE) to develop and implement a photovoltaic, net-metered pilot project in public schools and to establish an energy coordinator position to address energy efficiency in DOE facilities. Appropriations are also made to the Department of Business, Economic Development, and Tourism (DBEDT) to carry out the measure as it pertains to energy-efficiency for state facilities and equipment, and to establish two coordinator positions to address energy efficiency in DBEDT facilities. These provisions will help increase environmental sustainability and economic development, create jobs, and reduce Hawai'i's dependence on foreign oil.

COMMITTEE ON HEALTH

Cigarette Tax for Health Care Programs

SB2961, SD1, HD1, CD1 increases the tobacco tax on cigarettes by 1 cent per cigarette each year for the next six years, for a total increase of six cents. This measure establishes the Hawai'i cancer research special fund that is to be administered and expended by the University of Hawai'i for the cancer research center of Hawai'i's research and operating expenses. Additionally, it establishes the community health centers special fund that is to be administered and expended by the Department of Health for the operations of federally qualified health centers. The revenues resulting from the increased tax amounts shall be paid to the Hawai'i cancer research special fund, trauma system special fund, community health centers special fund, and the emergency medical services special fund. The measure also requires the Department of Taxation to report annually to the legislature and it appropriates \$11,000,000 out of the Hawai'i cancer research fund for the research and operating expenses of the Cancer Research Center of Hawai'i. The objective of this measure is to discourage young people from smoking and to encourage smokers to quit. The additional tax that the individuals choosing to purchase cigarettes will pay will help to advance important health care service needs.

Smoking Ban

SB3262, SD1, HD1, CD1 provides statewide protection of the public health and welfare by prohibiting smoking in places open to the public and places of employment, ensuring a consistent level of basic protections statewide from exposure to second-hand smoke. It extends the smoking prohibition to all enclosed or partially enclosed areas, including buildings and vehicles owned, leased, or operated by the State or a county. It establishes a presumptively reasonable minimum distance of twenty feet from entrances, exits, operable windows, and ventilation intakes that are included in the smoking prohibition zone while also providing a limited list of exceptions: private residences, except when used as a licensed child care, adult day care, or health

care facility; smoking rooms in hotels and motels, provided that no more than twenty percent of rooms may be so designated; retail tobacco stores; private and semi-private rooms in nursing homes and long term care facilities, with written consent by all occupants; certain outdoor areas of employment; film productions when smoking is being filmed; and state correctional facilities. Additionally, this measure prohibits retaliation against an employee, applicant, or customer for exercising rights under this law. It requires Department of Health to adopt enforcement rules and it establishes penalties. Counties are permitted to adopt more stringent ordinances. Cigarette sales from vending machines and by lunch wagons, and distribution of sample cigarette or tobacco products, promotional materials, or coupons are restricted. The effective date of this measure, 11/16/06, appropriately coincides with the anniversary of The Great American Smokeout.

Abortion Law Update

HB1242, HD1; Act 35 updates the intentional termination of pregnancy statute, bringing it into compliance with constitutional law by repealing the 90-day residency requirement and permitting abortions to be performed in a clinic or physician's office. The Act clarifies that the State is prohibited from denying or interfering with a female's right to choose or obtain an abortion of a nonviable fetus or an abortion that is necessary to protect the life or health of the female.

Placentas, return to mothers

HB2057, HD2; Act 12 establishes provisions relating to human placenta disposal by providing that upon negative findings of infection or hazard after appropriate testing of the mother, the human placenta may be released by the hospital to the woman from whom it originated or the woman's designee. It also requires the Department of Health to establish a release form to stipulate appropriate measures for the safe release of human placenta. This measure will protect long-standing Hawaiian cultural and religious practices associated with childbirth, with due consideration for public health, by releasing the placenta or 'iwele to the mother for the family to bury after a child is born.

COMMITTEE ON HIGHER EDUCATION**Hawai'i State Scholars Program, Workforce Development Scholarship Program**

SB3120, SD2, HD1, CD1 establishes the Hawai'i state scholars program to provide financial assistance to University of Hawai'i students who are residents of the State and who either have graduated from a high school in the State as valedictorian, have a cumulative grade point average of 4.0, or have received a college admission test score that places the student among the top ten percentile. Students selected must enroll within 18 months of graduation from high school, and make satisfactory progress toward their degree with a cumulative grade point average of at least 3.0.

The bill also establishes the workforce development scholarship program to provide financial assistance to qualified students enrolled at a University of Hawai'i community college campus and who qualify for Hawai'i resident tuition, have either earned a high school

diploma or have passed the general educational development test, and are eligible for need-based aid according to federal financial aid guidelines. The bill transfers \$500,000 from the University of Hawai'i tuition and fees special fund for deposit into the student scholarship and assistance special fund to support the workforce development scholarship program.

The Legislature found that the University of Hawai'i should increase its efforts to improve access to higher education by providing need-based aid for Hawai'i residents. With increases in tuition, increasing numbers of students will find higher education to be unaffordable. As a public institution supported by public funds, the University must not allow higher education to become the privilege of a select few.

**University of Hawai'i,
Organization**

HB1, HD2, SD1; Act 75 implements the recommendations of the Higher Education Statutory Analysis Interim Study Group to improve the organizational framework of the University of Hawai'i through the processes of consolidation, amendment, and repeal of statutes. The bill states that the Legislature does not thereby intend that the State withdraw from the Western Regional Education Compact. The Legislature found that this measure will provide clarity and consistency to the statutory law governing the University.

COMMITTEE ON HUMAN SERVICES

**Minor's Ability to
Consent to
Medical Treatment**

SB2166, SD2, HD3 expands the types of medical care and services for which a minor may consent under certain circumstances. In addition to treatment for sexually transmitted disease, pregnancy, or family planning services, a minor may consent to medical care and services if a licensed health care practitioner reasonably believes that: (1) the minor understands the significant benefits and risks of the proposed medical care and can communicate a decision; (2) the medical care and services are for the minor's benefit; and (3) the minor is not under the care, supervision, or control of a parent, custodian, or legal guardian, or if obtaining a legal consent is impractical. This measure provides immunity from civil or criminal liability for a licensed health care practitioner who, in good faith, provides medical care and services for a minor under these conditions. It also protects a minor's privacy for claims filed with a managed care plan or health insurance plan under which a minor is enrolled.

**Children's
Federal Revenue
Maximization
Program**

SB2323, SD2, HD1, CD1 authorizes the Judiciary, in collaboration with the Department of Human Services, to implement a federal revenue maximization program to recapture funds for services provided to children under the jurisdiction of the District and Family Courts either directly or indirectly through contracted providers. This will help to ensure that the State receives federal reimbursement for activities the court staff engage in that are eligible for reimbursement under Title IV-E of the Social Security Act and the federal Adoption Assistance and Child Welfare Act of 1980, Public Law No. 96-272.

**Extending Scope
of State Pharmacy
Assistance Program**

SB3003, SD2, HD2, CD1 extends eligibility for the State Pharmacy Assistance Program (SPAP) by expanding household income limits to 150% of the federal poverty level. This measure includes Medicaid beneficiaries among eligible SPAP recipients. Starting 7/1/07, it requires the SPAP to be funded with state appropriations, including funds to be derived from rebates from pharmaceutical manufacturers, and with savings resulting from Medicare prescription drug coverage for the Medicaid dual-eligible population. It also makes the payment of all or some of the co-payments required under the federal Medicaid Part D pharmacy benefit subject to the sufficiency of funds in the State Pharmacy Assistance Program Special Fund, rather than being subject to the receipt of sufficient rebates from pharmaceutical manufacturers.

**Kupuna Care
Services Program**

SB3252, SD2, HD1, CD1 provides resources and support for Hawai'i's older residents and their family caregivers. This measure appropriates funds to the Department of Health, Executive Office on Aging to expand the Kupuna Care Services Program, which provides assistance to help meet the needs of older adults who cannot live at home without adequate help from family or formal services. It also appropriates funds for the Executive Office on Aging to coordinate a statewide system of caregiver support services.

**Joint Legislative
Committee on
Family Caregiving**

SB3253, SD1, HD1, CD1 recognizes the need for strategic planning to address the long-term health care needs of Hawai'i's older residents. This measure establishes a joint legislative committee on family caregiving. Comprised of four members from each house, this measure requires the committee to develop comprehensive public policy to strengthen support for family caregivers who provide informal assistance to persons age 60 or older with physical or cognitive disabilities. It also requires the committee to seek input from relevant state agencies and the elderly, disability, business, and faith-based communities.

**Increase in Level of
Care Payments**

HB1821, HD2, SD2, CD1 increases the level of care payment to \$621.90 for Type I facilities and to \$729.90 for Type II facilities effective 1/1/07. It also authorizes the Department of Human Services to authorize a payment on 7/1/06, and thereafter as the Department determines a need, to resident clients who receive supplemental security income when the state funds appropriated for level of care payments are not expended at a level that complies with the Department's Maintenance of Effort Agreement with the Social Security Administration. This measure also clarifies that domiciliary care includes care provided in licensed developmental disabilities domiciliary homes, community care foster family homes, and certified adult foster homes.

**Expenditure of
TANF Funds**

HB2258, HD1, SD2, CD1 requires legislative oversight of Temporary Assistance for Needy Families (TANF) funds by requiring a legislative appropriation prior to the Department of Human Services expending TANF funds. For periods when the Legislature is not in session, this

measure authorizes the Department to receive and disburse federal funds related to the TANF program that are supplemental to the TANF block grant, or that are obtained competitively under the TANF program, subject to approval by the Governor for periods when the Legislature is not in session. It also requires the Department to report the following prior to the convening of the each regular legislative session: a plan detailing how TANF funds shall be expended and describing the desired outcomes from the expenditure of the funds; a report on the continuing strategic planning process; a report of the effectiveness and level of success in reaching desired outcomes identified for expenditures of TANF funds; and a report detailing any funds received and expended during the interim, the purpose of any expenditures, and the outcomes achieved.

**Hawai'i Youth
Correctional Facility
- Criminal History
Records Checks for
Workers**

HB2367, HD1, SD1, CD1 requires current and prospective employees and volunteers of contracted providers or subcontractors at the Hawai'i Youth Correctional Facility, in positions that place them in close proximity to the youth at the facility when providing services on behalf of the Office of Youth Services, to authorize criminal history records checks, and requires them to provide sworn statements indicating whether they have ever been convicted of an offense for which incarceration is a sentencing option. It also requires them to be subject to criminal history records checks through the Hawai'i Criminal Justice Data Center, including an annual name inquiry. This measure authorizes the Office of Youth Services to require a contracted provider or subcontractor to refuse employment to a prospective employee and to terminate the employment of an employee or the services of a volunteer if the individual in question has been convicted of an offense for which incarceration is a sentencing option and the Office finds that a criminal records inquiry reveals that the individual may pose a risk to the health, safety, or well-being of youth at the Hawai'i Youth Correctional Facility receiving direct services from the individual. It also authorizes the Department of Human Services to conduct criminal history records checks on these individuals.

**Hawai'i Children's
Health Care Program
- Pilot Project**

HB3116, HD2, SD2, CD1 establishes the Hawai'i Children's Health Care Program as a three-year pilot program of health care coverage for uninsured children who are ineligible for any other state or federal health care program. This measure requires the formation of a public-private partnership between the Department of Human Services and a mutual benefit society to share the medical insurance premiums equally for uninsured children between 31 days and 18 years of age. It also allows individuals earning between 250% and 300% of the federal poverty level who would otherwise be eligible for QUEST-Net to elect coverage through QUEST-Net, which requires paying a prorated premium, or to receive coverage through the Hawai'i Children's Health Plan at no charge.

COMMITTEE ON INTERGOVERNMENTAL AFFAIRS**Firearms Regulation**

SB2263, SD1 (Act 27) amends the Firearms, Ammunition, and Dangerous Weapons Law to comply with provisions contained in the federal Brady Handgun Violence Prevention Act. The measure expands the permit application requirements to acquire ownership of a firearm. The permit application form must now also include an applicant's country of citizenship, and, if the applicant is not a United States (US) citizen, the application form must include the applicant's alien or admission number. An issuing authority must perform a check of the National Instant Criminal Background Check System (NICBCS) before determining whether to issue a permit to a US citizen. If an applicant is not a US citizen, the issuing authority must perform a check of the NICBCS and the Immigration and Customs Enforcement databases before making a determination. An issuing authority must also perform the same checks when determining whether to grant a license to carry a concealed pistol or revolver and ammunition therefore. The measure also prohibits a person from possessing a firearm under state law if the person is prohibited from possessing a firearm under federal law.

Allowing Counties to Opt Out of the Automatic Permit Approval Law

SB2909, SD1, HD2, CD1 allows a county or county agency to opt out of the automatic approval law by adopting an ordinance to that effect. Automatic approval occurs when an agency exceeds the maximum allowable time period for determining whether to grant or deny an application for a business or development-related permit, license, or approval. In this instance, an application is essentially granted by default. Automatic approval affects applications such as development approvals, land reclassifications, and liquor licenses. Automatic approval can have negative consequences. Applications are often complex and require careful review. Any good decision requires public input, thorough discussion, and careful consideration of various needs from the county government, environmental interests, and community groups, which may not be able to be done on the current permit approval timetable. This measure helps counties ensure that complex applications receive the requisite scrutiny.

Supporting Enactment of the Federal Hawai'i Invasive Species Act

SCR36 supports enactment of the federal Hawai'i Invasive Species Prevention Act. Despite the efforts of more than twenty state, federal, and private agencies, invasive species enter Hawai'i at a rate that is approximately two million times more rapid than the natural rate. In 1994, nearly eighty percent of the invasive species that the State was able to intercept arrived by aircraft as cargo, in passenger bags, or as stowaways on the aircraft itself. It is believed that mail accounts for as much as twenty percent of the plant and animal pests that invade the State. There is currently a federal quarantine imposed in Hawai'i on the movement of all passengers and cargo that leaves Hawai'i en route to the mainland to protect the mainland from identified insect pests. Hawai'i needs to institute an incoming quarantine and inspection regime comparable to the outgoing regime. The Hawai'i Invasive Species Prevention Act would establish certain federal findings

and grant authority that would enable Hawai'i to institute an incoming quarantine and inspection regime to protect this State.

COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

Special Sentencing for Habitual Violent Felons (the "Three Strikes" Law)

SB2260, SD1, HD1, CD1; Act 81 establishes provisions relating to special sentencing of habitual violent felons. This measure provides that a habitual violent felon shall be sentenced to both a mandatory minimum term of imprisonment of not less than thirty years and a mandatory indeterminate term of life imprisonment. For special sentencing to apply under this measure the following criteria must be met: (1) the defendant must have been at least eighteen years old at the time of the offense was committed; (2) the current conviction must be for murder in the second degree or any class A or class B felony that is a crime of violence; (3) the defendant must have at least two prior and separate convictions for murder in any degree, any class A or class B felony that is a crime of violence, or any federal or out-of-state offense comparable to a crime of violence; and (4) either the current conviction or at least one of the prior and separate convictions must be for an offense other than burglary in the first degree.

Under this measure, a "crime of violence" includes murder in any degree, manslaughter, assault in the first degree, kidnapping, sexual assault in the first degree, sexual assault in the second degree, continuous sexual assault of a minor under the age of fourteen years old, robbery in the first degree, robbery in the second degree, and burglary in the first degree. This measure also requires the Judiciary and the Department of Public Safety to submit a report to the Legislature for the 2011 Regular Session. The Committee on Judiciary and Hawaiian Affairs found that there was strong support for a mandatory sentence of thirty years to life for habitual violent offenders.

Funding for the Office of Hawaiian Affairs

SB2948, SD1, HD2, CD1 addresses the issues raised by the Hawai'i Supreme Court's decisions relating the Office of Hawaiian Affairs' share of the public land trust revenue. In *Trustees of the Office of Hawaiian Affairs v. Yamasaki*, 69 Haw. 154, 737 P.2d 446 (1987), the Hawai'i Supreme Court concluded that the laws the Legislature had enacted to effectuate article XII, sections 4, 5, and 6 of the State Constitution, and to provide the Office of Hawaiian Affairs with a pro rata share of the revenues derived from the public land trust, were insufficient to allow the court to determine whether the Office of Hawaiian Affairs was owed additional moneys from the disposition of ceded lands.

In response to the *Yamasaki* decision, the Legislature enacted Act 304, Session Laws of Hawai'i 1990 (Act 304), to clarify the extent and scope of the State's constitutional obligation to provide a portion of the revenues derived from the public land trust to the Office of Hawaiian Affairs. On 9/12/01, the Hawai'i Supreme Court ruled in *Office of Hawaiian Affairs vs. State of Hawai'i*, 96 Haw. 388, 31 P.3d 901 (2001),

that Act 304 was effectively repealed by its own terms, so that once again, it was necessary for the Legislature to specify what portion of which receipts, from which lands the Office of Hawaiian Affairs was to receive under the State Constitution.

The Committee on Judiciary and Hawaiian Affairs found that the State's obligation to the Office of Hawaiian Affairs is firmly established in the State Constitution. While many complex issues require the Legislature's further attention and consideration in the wake of Act 304's repeal, immediate action should be taken to clearly designate the pro rata share of revenues derived from the public land trust that the Office of Hawaiian Affairs is to receive annually.

This measure establishes the amount of interim revenue to be given to the Office of Hawaiian Affairs each fiscal year beginning in fiscal year 2005-2006 to better the conditions for native Hawaiians at \$15,100,00. In addition, this measure appropriates \$17,500,000 as the amount of revenues owed to the Office of Hawaiian Affairs for the underpayment of the Office of Hawaiian Affairs's pro rata portion of the public land trust revenues between 7/1/01 and 6/30/05. This measure also requires the Department of Land and Natural Resources to provide an accounting of revenues from the public land trust. The measure specifies that nothing in the measure shall resolve or settle, or be deemed to acknowledge the existence of, the claims of native Hawaiians to the income and proceeds of a pro rata portion of the public land trust under Article XII, section 6, of the Constitution.

COMMITTEE ON LABOR

Unemployment Compensation

Hawai'i currently enjoys the lowest unemployment rate in the country. Additionally, the amount of funds available in the Unemployment Compensation Fund has grown over the years to its current balance of approximately \$460 million. This balance is the product of the low unemployment rate and years of sacrifices by both employers and employees. Although a large reserve is necessary to ensure that these funds are not totally depleted in the event of a severe economic downturn, natural disaster, or other event, adjustments to the employment security law are justified and can be financially sustained given the current surplus of funds. Accordingly, pursuant to **SB2190, SD1, HD2, CD1**, the Legislature has sought to provide relief to employers and increased benefits to eligible unemployed individuals.

This measure provides employers with a cut in payroll taxes paid to the Unemployment Insurance Trust Fund. Additionally, changes regarding benefits must also be provided because the benefits provided to unemployed individuals have largely remained unchanged for over a decade. This measure increases the cap on an eligible individual's maximum weekly benefit and the amount of the maximum potential benefits paid to thirty times an individual's weekly benefit amount. Because the current law also maintains a very low threshold that

discourages employees from seeking secondary, supplemental income, this measure increases to \$150 the threshold for deducting wages earned in a benefit week. Finally, to protect unemployed individuals and preserve the integrity of the system, a clear policy has been established regarding the denial of benefits paid to individuals who have been terminated from employment as a result of willful or wanton misconduct.

Injured Employees - TTD Benefits

The workers' compensation system was created to balance the interests of employers and employees by guaranteeing that employees injured on the job receive medical treatment and replacement of lost wages, and in turn relinquish their rights to sue under most circumstances. This year, the Legislature passed **SB3035, SD1, HD1, CD1**, seeking to preserve and protect the rights of injured employees by ensuring that an injured employee who has not resumed work continues to receive temporary total disability benefits until the Director of Labor and Industrial Relations renders a decision to terminate such benefits. Similarly, under **HB1867, HD1, SD2, CD1**, in the event of a dispute between an injured employee and the employer or the employer's insurer, the injured employee continues to receive medical treatment under the last approved treatment plan until the Director of Labor and Industrial Relations renders a decision on whether medical treatment should be discontinued. This measure also allows an employer to seek recovery of payment for medical treatment rendered after the date upon which the Director determines treatment should be discontinued from the employee's personal health care or other third party insurer.

Injured Employees - Continuation of Treatment

Health Benefits for Retired Public Employees

Health benefits for retired public employees under the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF) were also addressed by the Legislature this session. Currently, a retired public employee who relocates outside of the coverage area of the EUTF is being deprived of vested health benefits coverage. **SB2021, SD2, HD2, CD1** will allow a retired public employee who relocates outside of the coverage area of the EUTF to be reimbursed for securing a personal health insurance policy. The reimbursement will be in the amount of the lesser of the actual cost of obtaining a personal health insurance policy or the amount of the employer's contribution for the most comparable health benefits plan provided under the EUTF. Also, **HB2309, Act 39**, provides for the direct deposit of reimbursements from the EUTF for Medicare part B premiums paid by a retired member of the EUTF to a financial institution of the retired member's choice. This measure embraces the convenience provided by the electronic deposits of reimbursements and helps to reduce the potential for lost or stolen paper checks. Additionally, this measure provides the potential for considerable savings to the EUTF as well as employers for administrative costs currently associated with paper reimbursements.

Direct Deposit of EUTF Benefits for Medicaid Part B Premiums

COMMITTEE ON MEDIA, ARTS, SCIENCE, AND TECHNOLOGY

As a result of the findings and recommendations of the Anti-Phishing Task Force, which began during the interim, the Legislature passed a

Identity Theft Task Force

series of identity theft measures that deal with methods of prevention, security procedures, civil penalties, and criminal punishment. The Legislature renamed the Task Force the "Identity Theft Task Force," and extended the life of the Task Force to 12/31/07 in **HB3244, HD1, SD2, CD1** so that it may continue its work on identity theft in Hawai'i, assigned the Task Force additional responsibilities, and made an appropriation for the development of a uniform system of tracking identity theft crimes.

Security Freeze for Victims of Identity Theft

The Legislature passed a series of measures, effective 1/1/07, that provides identity theft security requirements and prevention procedures for businesses located or doing business in Hawai'i and government agencies to abide by, and provides civil penalties for businesses that fail to abide by these requirements. **HB1871, HD1, SD2, CD1** allows consumers who are victims of identity theft to place a security freeze on their credit reports. The security freeze will prohibit a consumer reporting agency from releasing any information to unauthorized parties without the consumer's express authorization, and will provide more control over who has access to their credit report. **SB2292, SD2, HD1, CD1** requires businesses and government agencies that dispose of documents and other records containing personal information of Hawai'i residents to take reasonable measures to protect against unauthorized access to or use of the information in connection with or after its disposal. Penalties are up to \$2,500 per violation and include the victim's actual damages. **SB2290, SD2, HD1, CD1** requires businesses and government agencies that own, license, collect, or maintain personal information of Hawai'i residents to notify affected persons that a security breach has occurred following the discovery of or receiving notification of the breach. Penalties are up to \$2,500 per violation and include the victim's actual damages.

Disposal of Personal Data**Notification of Security Breach****Restrictions on Use of Social Security Numbers**

SB2293, SD2, HD1, CD1 prohibits businesses and government agencies, subject to limited exceptions, from disclosing an individual's social security number to the general public, printing an individual's social security number on an identification card or in mailings to customers, or requiring the transmission of an individual's social security number to third parties. All measures allow civil causes of action against businesses that fail to follow these requirements and procedures. Penalties are up to \$2,500 per violation and include the victim's actual damages. Effective 7/1/07.

Criminal Penalties for Identity Theft

The Legislature also passed measures that will assist law enforcement officers and prosecutors to more effectively combat identity theft crimes by stiffening the criminal penalties for these crimes. **SB2159, SD2, HD1, CD1** prohibits the possession of confidential personal information by a person who intentionally or knowingly possesses without authorization, any confidential personal information of another, and makes this offense a class C felony. This measure also adds the offenses of identity theft in the third degree and the unauthorized possession of confidential information as enumerated offenses under the repeat offender statute. **HB2535, SD2** amends the offense of use of a computer in the commission of a separate crime by including the intentional use of a

Criminal Penalties for Use of a Computer to Commit Theft

computer to obtain control over the property of the victim to commit theft in the first or second degree.

**Motion Picture and
Film Production Tax
Credit**

SB2570, SD2, HD2, CD1; Act 88, amends the provision relating to motion picture and film production income tax credits by including digital media productions. The tax credit is increased from four percent to fifteen percent of the qualified production costs incurred in a county with a population over seven hundred thousand, and to twenty percent of the qualified production costs incurred in a county with a population of seven hundred thousand or less. Productions must meet an established criteria to qualify for the tax credit, and a provision clarifies that qualified production costs cannot be simultaneously financed by investments under this tax credit provision and the High Technology Business Investment Tax Credit provision. Each qualified production cannot exceed \$8,000,000 for the tax credit. The tax credit will be repealed on 1/1/16.

COMMITTEE ON TOURISM

**Regulation of
Agricultural Tourism**

HB2145, HD2, SD1, CD1, clarifies the law on permissible uses within major land use districts to permit agricultural tourism activities within agricultural districts. Agricultural tourism is an activity on a working farm or farming operation for the enjoyment, education, or involvement of visitors. The agricultural tourism activity must be accessory and secondary to the principal agricultural use and not interfere with farm operations. Before agricultural tourism activities may be conducted in a county, the county must adopt ordinances setting forth procedures and requirements, including provisions for enforcement, penalties, and administrative oversight, for the review and permitting of agricultural tourism uses and activities as an accessory use on a working farm, or farming operation. Ordinances must include: (1) requirements for access to a farm, including road width, road surface, and parking; (2) requirements and restrictions for accessory facilities connected with the farming operation, including gift shops and restaurants, provided that overnight accommodations are not permitted; (3) activities that may be offered by the farming operation for visitors; (4) days and hours of operation; and (5) automatic termination of the accessory use upon the cessation of the farming operation. A county may require an environmental assessment as a condition to any agricultural tourism use and activity. Agricultural tourism activities are not permitted in the absence of a bona fide farming operation.

**COMMITTEE ON TRANSPORTATION AND GOVERNMENT
OPERATIONS**

**Minors Prohibited
from Consuming
Alcohol**

SB706, SD2, HD2, CD1 prohibits minors from consuming liquor. This measure requires the court to order that any person under twenty-one years of age found to be in violation of this section shall have, in

addition to any other disposition or sentencing provision permitted by law, the person's license, including a provisional license, to operate a motor vehicle, or the person's ability to obtain a license to operate a motor vehicle, suspended for specified periods. There is an exemption from financial responsibility requirements for licensed and provisional license drivers who violate new law. Other penalties are 75 hours of community service, and an 8-12 hour program of alcohol education and counseling.

Transfer of Title of Motor Vehicles with Pending Fines

SB2065, SD2, HD1, CD1; Act 103 clarifies that unpaid parking fines and judgments do not prevent the transfer of a motor vehicle's registration and title by a registered owner of a motor vehicle who was previously issued a certificate of registration and certificate of ownership for the motor vehicle, despite the existence of unpaid judgments against the motor vehicle. The previous registered owner is not absolved from paying the fine. The measure applies retroactive to existing affected registrations prior to approval of this Act.

Disaster Funding

SB2214, SD2, HD3, CD1 increases from \$1 million to \$2 million the amount the governor may expend from the major disaster fund and increases from \$1 million to \$2 million the amount to be made available solely for matching federal disaster relief funds. The measure makes appropriations as follow: (1) \$1 million to purchase or improve early warning systems; (2) \$250,000 for public education programs on disaster preparedness; (3) \$2 million for loss mitigation or reduction efforts or programs; (4) \$250,000 to update tsunami inundation and evacuation maps; (5) \$1 million to establish and maintain an emergency supply cache; and (6) \$5 million for around-the-clock civil defense alert staff. An appropriation is also made of \$2 million as a grant to the American Red Cross for disaster relief efforts, and another grant is made of \$2 million to the Queen's Medical Center for an emergency backup electrical system.

Highly Intoxicated Drivers

HB2639, HD2, SD2, CD1 establishes the classification of highly intoxicated driver, defined as a person whose measurable amount of alcohol is 0.15 or more grams of alcohol per 100 milliliters or cubic centimeters of the person's blood or 0.15 or more grams of alcohol per 210 liters of the person's breath, as measured at the time of the offense, or within 3 hours of the time of the offense. The measure imposes administrative revocation penalties of a mandatory six-month administrative license revocation without qualification for a conditional license permit. The measure also imposes criminal sentencing provision of a prompt six-month suspension of license with an absolute prohibition from operating a vehicle during that time. Criminal sentencing is also provided for persons under the age of 21, who operate a vehicle after consuming a measurable amount of alcohol, of one-year prompt suspension of license, in addition to current penalties.

COMMITTEE ON WATER, LAND, AND AGRICULTURE

The Hawai'i Community Development Authority was created to join the strengths of private enterprise and public development and regulation into a new form capable of long-range planning and implementation of improved community development. However, current procedures used by the authority for developing its master planning functions and community development districts fail to adequately notify Kakaako occupants, as well as the general public, and do not appear to contemplate or give enough deference to the public's testimony and suggestions. Rather, it appears that many important issues are not addressed and this state of affairs has been perpetuated for many years.

Improved Public Notification by the HCDA

This year, the Legislature passed important legislation, **SB2090, SD2, HD1, CD1**, which provides better public notification procedures. Specifically, this measure requires the authority to:

- (1) Provide more community and public notice for its public hearings;
- (2) Render any decision for an amendment to the authority's community development rules, or for the acceptance of a developer's proposal to develop lands under the authority's control, at a separate hearing from the hearing at which the proposal was presented;
- (3) Allow the public an opportunity to testify at the decision-making hearings; and
- (4) Notify the President of the Senate and Speaker of the House:
 - (a) Of any public hearing upon posting of the hearing notice; and
 - (b) With a report detailing the public's reaction at the public hearing, within one week after the hearing.

Prohibiting HCDA from Selling Certain Lands in Kaka'ako

In 2005, the Hawai'i Community Development Authority announced its development proposal selection for its Kakaako land makai of Ala Moana Boulevard. Following the announcement, many community groups vehemently opposed the proposed development. After the Legislature held several of its own public hearings, the public sentiment was in opposition to the sale of the fee interest in any state-owned lands in the Kakaako Community Development District and that the opposition extends to the development of any residential development in the district makai of Ala Moana Boulevard. In response, the Legislature passed **HB2555, HD2, SD2, CD1**, which encourages

responsible development in the heart of Honolulu by prohibiting the authority from:

- (1) Selling or otherwise assigning the fee simple interest in any public lands in the Kakaako Community Development District (District); or
- (2) Approving any plan or proposal for residential development within the District that is makai of Ala Moana Boulevard and extends between Kewalo Basin and the Foreign Trade Zone.

In 2005, the Legislature passed an important measure that preserves Hawai'i's precious agricultural lands. It established policies and procedures for identifying important agricultural lands within the State and for creating incentives for farmers and landowners. This year, the Legislature passed **SB2479, HD1, CD1**, which proposes a constitutional amendment to authorize the issuance of special purpose revenue bonds for agricultural enterprises serving important agricultural lands. The Legislature also passed **SB2485, SD2, HD2, CD1** to authorize special purpose revenue bonds for agricultural enterprises serving important agricultural lands if the constitutional amendment is ratified.

COMMITTEE ON WAYS AND MEANS

Supplemental Appropriations Act (State Budget)

(HB1900, HD1, SD1, CD1) This measure amends Act 178, Session Laws of Hawai'i 2005, and other appropriations and authorizations effective during fiscal biennium 2005-2007. The Legislature drafted a balanced supplemental budget to address the growing needs and concerns of certain critical areas and to reconcile revenue projections with those expenditures. Due to a larger-than-anticipated surplus, the Legislature, for the first time in many years, began its deliberations without being required to determine what needed to be cut from the budget. With over a decade of pent-up demand for money and services, the Legislature found that deciding what to fund was perhaps more difficult and demanding than anticipated. It would have been easy to simply fund as many of the myriad requests as possible, satisfying most, if not all, of the different interests. However, the Legislature remained prudent and vigilant in its fiscal deliberations.

The budget is a complex document, which attempts to balance the different needs and priorities of all the people of the State of Hawai'i. Competing needs faced the Legislature during its formulation of the budget, requiring difficult decisions to be made. The approach of the Legislature is to invest in our future and provide the essential services requested by the community.

The Supplemental Operating Budget

The Legislature continues to make Hawai'i's public schools its top

budget priority and the centerpiece of this supplemental budget. Although funding has been increased for virtually all state departments, none approaches the level of funding afforded to the Department of Education (DOE). The Legislature has appropriated forty-seven percent of the new general fund appropriations for fiscal year 2006-2007, or \$106,100,000, to the DOE for a total of \$1,900,000,000 in general funds for the fiscal biennium.

The Legislature has also remained dedicated to providing for the basic needs of our citizens with increases in general fund appropriations of \$39,900,000 for the Department of Human Services, \$26,300,000 for related programs at the University of Hawai'i, \$19,500,000 for the Department of Health, and \$15,700,000 for the Department of Public Safety.

Overall, the Legislature has recommended an increase of the Executive Supplemental Operating Budget general fund expenditures in fiscal year 2006-2007, from \$4,500,000,000 to \$4,700,000,000, an increase of \$221,500,000 or 4.9 percent. For all means of financing, the Legislature has proposed a total expenditure level of \$9,600,000,000 for fiscal year 2006-2007, virtually identical to what was requested by the Executive Branch. This ambitious financial package is based upon optimistic financial projections by the Council on Revenues, tempered by federal fiscal concerns, as well as careful comparisons and observations of fiscal and budgetary programs in other states and the Government Accounting and Standards Board.

Emergency Appropriations for Natural Disaster Relief

HB957, HD1, SD1, CD1: Hawai'i's resurging economy and the positive economic trend forecast for both Hawai'i and the nation have resulted in a substantial budget surplus, providing lawmakers the chance to offer tax relief after years of budget constraints. Current Hawai'i income taxation tables actually impose a financial penalty on most middle class families in Hawai'i. Comparisons with the average income in other states are meaningless when the cost of housing, food and clothing, education, and transportation are factored in. In reality, a \$70,000 family income in Hawai'i buys much less than a \$70,000 family income in most other cities in the United States. Hawai'i's income tax brackets need to reflect this reality.

To provide tax relief, the Legislature increased the standard deduction for income tax purposes for taxable years after 12/31/06. Income tax brackets are expanded beginning after 12/31/06 for joint returns, heads of households, unmarried individuals, and estates and trusts.

The measure provides a one-time refundable flood victim income tax credit, not to exceed \$10,000 per taxpayer, amounting to ten percent of the amount expended by the taxpayer for costs directly related to the damage directly caused by heavy rain and flooding occurring to the taxpayer's real or personal property. The credit covers the expenses or costs that are not reimbursable by insurance proceeds or disaster relief payments from government agencies or non-profit organizations. The

tax credit covers damages suffered to the taxpayer's real or personal property situated in the State, that occurred on 10/30/04 in Manoa, Oahu, or between February 20 and April 9, 2006 in Kauai, Hawai'i, Maui, and Honolulu counties. The tax credit applies to taxable years beginning after 12/31/03 and ending before 1/1/07.

(HB970, HD1, SD1, CD1) The Legislature made various emergency appropriations to state agencies for natural disaster relief. Appropriations were made to:

- (1) Cover the costs of recovery and remediation efforts as a result of storms in February and March 2006;
- (2) Stabilize and repair storm-damaged slopes, drainage ways, and drainage systems to restore functionality and prevent future damage;
- (3) Hire consultants to:
 - (a) Determine the structural integrity of dams and reservoirs statewide;
 - (b) Assess potential immediate risks; and
 - (c) Recommend long-term plans to ensure dam safety; and
- (4) Investigate and review legal issues related to dam and reservoir failures, issues relating to the safety of dam and reservoir failures, and issues relating to the safety of existing dams and reservoirs.

The Legislature made findings that the appropriations are in the public interest and for the public health, safety, and general welfare of the State.